GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1957
ANSWERED ON:09.03.2001
PERMISSION TO GERMAN BASED MNC FOR SETTING UP OF STORES
RAM JEEVAN SINGH

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have recently granted blanket permission to a multinational company `Metro Cash and Carry and Gmbtt` of Germany for setting up of stores in the country;

(b) if so, the reasons therefor; and

(c) the likely impact on the traders in the country as a result thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) to (c): M/s Metro Cash & Carry GmbH, Germany have been granted FC approval in December, 2000 to establish a Wholly Owned Subsidiary to set up state of the art Cash & Carry complexes for food and non food products at urban locations in India.The approval is subject to the condition that the company would sell the products stocked by it to retailers who possess sales tax registration, and not to consumers. The proposal is covered under the extant FDI policy.